

Agency: Commerce, Community and Economic Development**Grants to Named Recipients (AS 37.05.316)****Grant Recipient: Alaska Air Show Association****Project Title:**

Alaska Air Show Association - 2008 Arctic Thunder Airshow

State Funding Requested: \$ 75,000**House District: Anchorage Areawide (17-32)**

One-Time Need

Brief Project Description:

Support for the 2008 Arctic Thunder Airshow

Funding Plan:**Total Cost of Project: \$225,000**

| | <u>Funding Secured</u> | | <u>Other Pending Requests</u> | | <u>Anticipated Future Need</u> | |
|-------|------------------------|-----------|-------------------------------|-----------|--------------------------------|-----------|
| | <i>Amount</i> | <i>FY</i> | <i>Amount</i> | <i>FY</i> | <i>Amount</i> | <i>FY</i> |
| Other | | | | | \$150,000 | 09 |
| Total | | | | | \$150,000 | |

*Explanation of Other Funds:**Fund will be raised from Corporate, Private, Municipal and Military partners.***Detailed Project Description and Justification:**

The Arctic Thunder Airshow will be an integral part of the celebration of Alaska's 50th Anniversary. With the ongoing war on terror, federal support for airshows has declined and the State funds are critical for the success of the 2008 air show.

Project Timeline:

Expenditures will be in 2008.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Alaska Air Show Association

Grant Recipient Contact Information:

Contact Name: William G. Kontess, Major USAF

Phone Number: 907-770-4378

Address: PO Box 6175, Elmendorf AFB, AK 99506

Email:

Has this project been through a public review process at the local level and is it a community priority? ☐ Yes ☒ No



Alaska Air Show Association

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Dear Representative Meyer,

As president of the Alaska Air Show Association, I'm writing you and all Anchorage and Matanuska-Susitna Borough legislators to seek your assistance in obtaining a state grant in support of the 2008 Arctic Thunder Air Show, slated for next summer at Elmendorf AFB. Representative Mike Hawker has championed our requests in the past, but we understand the grant process has undergone some change. Without last year's generous the grant it would not have been possible for the Association to assist Elmendorf AFB host a world class air show after a two-year hiatus. Over 150,000 residents and visitors from around the world enjoyed aerial demonstrations by our Alaskan Air Force, aerobatic airplanes and performers, static displays of every variety of aircraft, vintage World War II aircraft, the Navy's Blue Angels, and an exciting foretaste of the future of airpower in Alaska: an eye-watering performance by the new F-22 Raptor. The senior leadership on base, as well as community leadership recognizes the importance of the air show for all Alaskans, and your support during the upcoming legislative session will be a tribute to your leadership for our active duty, guard and reserve military members, their families, and for the Association.

Arctic Thunder 2008 promises to be an especially integral part of the celebration of Alaska's 50th anniversary of statehood. Aviation has played an important geo-strategic and economic development role in Alaska from its territorial days to the present, and undoubtedly for the future. With the beddown of the C-17 transport and the F-22 Raptor fighter aircraft, Alaska's role in the defense of the nation takes on more significance and is cause for greater recognition and celebration. Next year's air show will be host to world-class civilian, military and war-bird performers that we anticipate having under contract by year's end. We believe we will have the Air Force's Thunderbirds as the premiere performers. We are also hoping to feature the World-War II-era P-38 Lighting aircraft, a plane of historical significance that saw combat over Alaskan skies.

Transportation costs are a significant component for air shows of this caliber. We cannot possibly put on this level of performance without your financial assistance. The total cost for last year's air show exceeded \$325,000. Air shows in the lower 48 typically spend 5% of their budget on transportation; historically, 26% of the costs to put on air shows in Anchorage come from the ferrying costs to transport aircraft, equipment and performers from Outside. Early quotes on the P-38, for example, are totaling over \$70,000, of which a significant portion is transportation. You can easily see how vital your support is.

I would also like to point out how much the military and civilian communities appreciate Arctic Thunder. With daily attendance at 150,000 or more for every air show this decade, Arctic Thunder represents a significant percentage of the entire State's population for this two-day event. In comparison, air shows at Nellis Air Force Base, Las Vegas, and Randolph Air Force Base, San Antonio, both cities with populations in excess of 1,000,000 people, attract between 140,000 to 200,000 visitors. The fact is that air shows are growing in popularity around the country, attracting over 26,000,000 people annually at 400 different air shows—drawing twice the attendance figures as NFL football games! Clearly, without State grant assistance, the Alaska Air Show Association would not be able to pay the tremendous performer and vendor transportation costs required to host Arctic Thunder.

State grant funding is an important component of funding Arctic Thunder. The Association also relies on the generous contributions from our Corporate sponsors in the private sector, charitable foundations, and other private, municipal and military partners. In addition to State grant funding for the identified needs, the Association anticipates raising an additional \$150,000 from our sponsors to fund the balance needed for Arctic Thunder. Last year the Air Force paid the lion share of costs for Arctic Thunder, but federal



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appropriate dollars cannot cover all costs. Last year, the Association, with the help of our Corporate and charitable foundation partners, and with State grant support, funded nearly one third of the costs. Next year we anticipate the US Air Force to fund some portion of operations, maintenance and other military aircraft costs, although funding may be constrained due to ongoing world events. The Alaska Air Show Association is a registered non-profit corporation, as well as a 501c(3) charitable institution. The Association has no paid staff; our officers and board of directors are comprised of nine civilian and retired military contributing their time, talents and treasure to make the air show happen.

Working with you, the State executive and local legislative leadership, the Municipality of Anchorage, our Corporate and private sponsors, and Elmendorf Air Force Base, the Alaska Air Show Association hopes to continue to provide outstanding, world-class air show opportunities for the citizens of Alaska and visitors for many years. Without your continued support, the funding necessary to host the air show are simply not available.

We are very grateful for your support last year, and we would ask that you consider us favorably again by advocating and providing State Grant funding in the upcoming budget to help offset transportation costs for performers and vendors. Please find attached our 2008 request for State Grant support in accordance with AS 37.05.316, Chapter 82, Section 1, page 12, line 23.

Again, "THANK YOU" for your outstanding support of our military and all Alaskans.

Sincerely,

WILLIAM G. KONTESS, Major, USAF (Retired)
President, Alaska Air Show Association
770-4378 work, 301-0078 cell

Attachment:
State Grant Request

Supporting Our People in the 21st Century



Alaska Air Show Association

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2008 Grant Request

Background:

The Alaska Air Show Association was formed 15 years ago as a registered non-profit corporation, as well as a 501c(3) charitable institution with no paid staff. The purpose of the Alaska Air Show Association is threefold:

1. To enhance community relations by thanking the community for their support of the Air Force in Alaska by offering a free world-class air show, as well as provide the opportunity for community team-building through direct involvement in the Air Show.
2. To educate Alaskans about military and civilian aviation as well as the mission of The US Air Force Alaska while promoting a positive image of both to the public, community leaders and decision makers.
3. To support military recruiting efforts.

The 2006 air show cost in excess of \$325,000. The Alaska Air Show Association raised those funds through a State grant and from other Corporate, private, municipal and military partners. The Association is now laying the ground work for the 2008 Arctic Thunder air show, which will be integrated with the 50th Anniversary of Alaskan Statehood. We are committed to raising the necessary funding for the upcoming air show.

Air shows in cities with populations exceeding 1,000,000 people, such as at Nellis AFB, Las Vegas, or Randolph AFB, San Antonio, attract between 150,000 to 200,000 people for their two-day shows. In contrast, Anchorage, with a far smaller population base, attracted record crowds exceeding 150,000 people each day for every air show held this decade. The air show is the largest two-day event in Alaska, and I can personally attest that we have visitors from around the world who make Arctic Thunder part of their "must see" events while touring Alaska. Next year promises to be another world-class event, and we hope to feature top-drawer civilian performers, including the WWII-era P-38 Lightning, which saw combat duty in Alaska; the Air Force Thunderbirds; along with exciting demonstrations by the F-22 Raptor and C-17 Globemaster, which now call Alaska home.

Air shows in the lower 48 typically spend approximately 5% of their total budget on transportation costs. Historically, the Association has spent \$65,000 in transportation, over a quarter of the costs in previous years' air shows. In 2004, the State provided a grant totaling \$50,000 and last year the State provided \$61,000. These grants offset our costs for performers, vendors, and performer deposits required for the lengthy travel from the lower 48 and their sacrifice of participating in other air shows on the preceding or following weekend. Military transport has not been available since the initiation of the Global War on Terror. I am pleased to tell you that no grant dollars ever received have gone toward administrative costs—100% of State Grant funding was used to help defray transportation costs as well as air show production and performer expenses..



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Grant Request:

For 2008, the Alaska Air show Association is requesting the State of Alaska to provide a grant in the amount of \$75,000 to help offset our increasing transportation and deposit costs resulting from the lack of military airlift support due to the war on terror. Since the Air Force has gone to hosting air shows every other year, we anticipate significant cost increases to retain quality performers for the event, as well as anticipating the added festivities linked to the celebration of the 50th Anniversary of Alaskan Statehood. All of our performers sacrifice participating the air shows preceding or following ours due to travel distance and extreme weather conditions flying to and from Alaska. Without continued State Grant assistance, the funding necessary to pay the enormous transportation costs to hold the now bi-annual event in Alaska is simply not available. Our Corporate, private, Municipal, and military partners continue to be very generous and supportive. However, the additional funds needed to replace the State Grant support is not there.

"THANK YOU" again for your outstanding support of our military members, their families, and all Alaskans that attend this internationally recognized air show event.

WILLIAM G. KONTESS, Major, USAF (Retired)
President, Alaska Air Show Association
770-4378 work, 301-0078 cell

Supports the Troops in the Last Frontier